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I

106TH CONGRESS  
1ST SESSION

# H. R. 610

To amend title XIX of the Social Security Act to permit the Secretary of Health and Human Services to waive recoupment of Federal Government Medicaid claims to tobacco-related State settlements if the State uses the funds only for programs to reduce smoking and for public health purposes.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 4, 1999

Mr. WEYGAND introduced the following bill; which was referred to the Committee on Commerce

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## A BILL

To amend title XIX of the Social Security Act to permit the Secretary of Health and Human Services to waive recoupment of Federal Government Medicaid claims to tobacco-related State settlements if the State uses the funds only for programs to reduce smoking and for public health purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. PERMITTING WAIVER OF RECOUPMENT OF**  
2 **MEDICAID TOBACCO-RELATED RECOVERIES**  
3 **IF RECOVERIES USED TO REDUCE SMOKING**  
4 **AND FOR PUBLIC HEALTH PURPOSES.**

5 (a) **IN GENERAL.**—Section 1903(d)(3) of the Social  
6 Security Act (42 U.S.C. 1396b(d)(3)) is amended—

7 (1) by inserting “(A)” before “The”; and

8 (2) by adding at the end the following:

9 “(B) Subparagraph (A) and paragraph (2)(B) shall  
10 not apply to any amount recovered or paid to a State as  
11 part of a settlement or judgment reached in litigation initi-  
12 ated or pursued by a State against one or more manufac-  
13 turers of tobacco products, as defined in section 5702(d)  
14 of the Internal Revenue Code of 1986, if (and to the ex-  
15 tent that) the Secretary finds that following conditions are  
16 met:

17 “(i) The State has filed with the Secretary a  
18 plan which specifically outlines how the Federal  
19 share of the amounts so recovered will be spent con-  
20 sistent with the following:

21 “(I) At least 40 percent of such amounts,  
22 recovered in any fiscal year, will be spent on ef-  
23 forts to reduce smoking using methods that  
24 have been shown to be effective, such as smok-  
25 ing cessation programs, anti-smoking enforce-  
26 ment activities, community-based anti-smoking

1           programs, and school-based education pro-  
2           grams.

3           “(II) Such amounts not spent for the pur-  
4           poses described in subclause (I) will be spent  
5           only on essential public health services, includ-  
6           ing (but not limited to) the public health activi-  
7           ties described in subparagraph (C).

8           “(III) All such amounts will be spent only  
9           in a manner that supplements (and does not  
10          supplant) funds previously being spent by the  
11          State (or local governments in the State) for  
12          such or similar programs or activities.

13          “(ii) Before the beginning of each fiscal year,  
14          the State files with the Secretary a report which de-  
15          tails how the Federal share of the amounts so recov-  
16          ered have been spent consistent with the plan de-  
17          scribed in clause (i).

18          “(C) The public health activities described in this  
19          subparagraph are as follows:

20               “(i) Monitoring health status to identify com-  
21               munity health problems.

22               “(ii) Diagnosing and investigating health prob-  
23               lems and health hazards in the community.

24               “(iii) Enforcing laws and regulations that pro-  
25               tect public health.



1           “(iv) Informing, educating, and empowering  
2 people about health issues.

3           “(v) Mobilizing community partnerships to  
4 identify and solve health problems.

5           “(vi) Linking people to needed personal health  
6 services and assuring the provision of health care  
7 when otherwise unavailable.

8           “(vii) Evaluating effectiveness, accessibility, and  
9 quality of personal and population-based health serv-  
10 ices.

11           “(viii) Assuring a competent public health and  
12 personal health care workforce.

13           “(ix) Developing policies and plans that support  
14 individual and community health efforts.

15           “(x) Conducting research for new insights and  
16 innovative solutions to health problems.

17           “(D) If the Secretary determines that amounts de-  
18 scribed in subparagraph (B) are not being spent in accord-  
19 ance with the plan described in (and that meets the re-  
20 quirements of) subparagraph (B)(i), subparagraph (A)  
21 and paragraph (2)(B) shall apply to such amounts and  
22 the Secretary shall take appropriate action to offset such  
23 amounts from the amounts otherwise paid to the State  
24 under this title.

1       “(E) Amounts equivalent to the reductions in pay-  
2       ments under this title which are attributable to recoveries  
3       described in subparagraph (B) which are not recouped or  
4       offset because of such subparagraph shall be deposited by  
5       the Secretary into a separate fund in the Treasury which  
6       shall be used and available to the Secretary, without fur-  
7       ther appropriation, to carry out Federal grant-in-aid pro-  
8       grams to reduce tobacco use among minors.”.

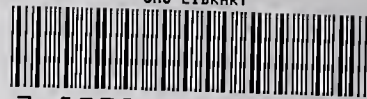
9       (b) EFFECTIVE DATE.—The amendments made by  
10      subsection (a) apply to amounts recovered or paid to a  
11      State before, on, or after the date of enactment of this  
12      Act.

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